



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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In Reply Refer To:
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December 7, 2006

Memorandum

EMS TRANSMISSION: 12/07/2006

To: Director, Room 850, LS

Through: Assistant Director, Minerals, Realty & Resource Protection (WO-300)

From: State Director

Subject: LR- 2000 Bond Review Fiscal Report Certification and Corrective Action Plan
Pursuant to WO IM 2006-172

I certify that the reclamation cost estimates in the LR- 2000 Bond Review Fiscal Report data base have been examined. A Corrective Action Plan addressing reclamation cost estimate deficiencies and a timeframe for resolution are included.

Corrective Action Plan

The CA MLA staff understands the responsibility and importance of assuring compliance with BLM's Title 43 Code of Federal Regulations Part 3809 (3809) bonding regulations for hardrock mining operations. California continues to work diligently in maintaining bond review compliance and eliminating unnecessary and undue degradation to public lands.

Our Field Offices have made significant progress over the last couple of years and particularly during the past few months; however, staffing shortages and Resource Area priority workload issues, such as Resource Management Planning and legal issues, have resulted in delays within regulatory and policy time frames.

California's 3809 financial guarantee priorities have focused on maintaining adequate bonding for operations involving significant disturbances and/or environmentally sensitive areas and bringing identified noncompliance operations into compliance.

Statewide, the Legacy Rehost System 2000 (LR2000) database indicates California has 237 authorized Plans of Operation (Plans) and Notices of Intent (Notices). Currently, all the Plan level operations involving significant disturbances are adequately bonded and several pre-2001 Notice level operations are in the process of being resolved administratively or by reclamation.

California's State Office and Field Offices (FOs) have worked together to identify the magnitude of our deficiencies. Our FOs have initiated corrective actions to resolve delinquent reclamation cost estimates and bond compliance issues. A description of California's bond review reporting and reclamation cost estimate deficiencies are as follows:

- LR-2000 cases with inadequate bonds pending closure and/or remediation action;
- cases requiring increased financial guarantee (inadequate bonding) due to recent review, which are in the process of being obligated;
- cases with pending legal action; and
- pre-2001 Notice level operations with a low potential for significant surface disturbance and/or not in environmental sensitive areas.

Despite our recent bonding review achievements, a large workload remains to attain compliance. Our action plan to achieve compliance is as follows:

California's 3809 hardrock bonding goals for FY 2007 are to:

- continue updating LR-2000 case recordation files;
- continue closing suitable case files administratively;
- aggressively resolve Notices of Noncompliance;
- complete an itemized tally of delinquent case by 31 January 2007; and
- have adequate bonds obligated for all Plans and Notices by the end of FY 2007.

Please refer any comments or inquiries to Marc Springer (916) 978-4369.

Signed
James W. Abbott
Acting State Director

Authenticated
Stephanie M. Bryant
Administrative Technician

Attachment
LR-2000 Bond Review Fiscal Report (7pp)